

CALIFORNIA MUNICIPAL REVENUE SOURCES

Revenue Source	Deposited to Fund	FY15-16 RPV Budget	RPV Restricted?	Description	Authority
Property Tax	General	\$ 7,231,561	No	Ad valorem tax imposed by the state on real property (1% of assessed value), administered by the County, and allocated to various agencies including the City. City share was set with allocation formula based on local agencies' average property tax revenue for 1975-1977.	California Constitution Article XIII and XIII A; Revenue and Tax Code §§95, 97.
Property Tax in lieu of Vehicle License Fees	General	\$ 4,195,096	No	Replacement of state-shared Vehicle License Fees with additional shares of property tax.	California Constitution Article XIII and XIII A; Revenue and Tax Code §§95, 97.
Property Tax in lieu of Sales Tax	General	\$ 279,198	No	Replacement of 1/4 of the 1% Bradley-Burns sales tax with additional shares of property tax. The tax swap is scheduled to end January 1, 2016.	California Constitution Article XIII and XIII A; Revenue and Tax Code §§95, 97.
Sales & Use Tax	General	\$ 1,993,936	No	Tax imposed on total retail price of any tangible personal property and the use or storage of such property when sales tax is not paid. Tax is administered by the state. Prior to 2004, the City received the basic 1% Bradley-Burns rate. In 2004, the state reduced the City allocation by 1/4 and replaced it with additional shares of property tax. The tax swap is scheduled to end January 1, 2016	California Constitution Article XIII §§25.5(a)(2), 29; Revenue and Tax Code §7200.

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Business License Tax	General	\$ 777,490	No	Locally levied tax imposed for the privilege of conducting business within the City. Rates vary by business type and include both flat tax amounts and tax amounts based upon business gross receipts.	Municipal Code Chapter 5.04 (1974). General purpose requires majority vote of voters, special purpose requires 2/3 vote.
Utility Users Tax	General	\$ 1,862,000	No	Locally levied tax imposed on the consumption of utility services. The RPV tax is 3% of electricity, gas, and water charges.	Municipal Code Chapter 3.30 (1993). General purpose requires majority vote of voters, special purpose requires 2/3 vote.
Transient Occupancy Tax	General	\$ 5,026,400	No	Locally levied tax imposed on occupants for privilege of occupying rooms in a hotel or similar for 30 days or less. The RPV tax is 10% of the room charge.	Municipal Code Chapter 3.16 (1973). General purpose requires majority vote of voters, special purpose requires 2/3 vote.
Documentary Transfer Tax	General	\$ 395,000	No	Tax imposed on documents recorded in the transfer of ownership in real estate. Levied by the county at a rate of \$1.10 per \$1,000 of value transferred. City levy is 50% of the county rate, which is credited against the amount of the county tax due.	Authority to levy: Revenue and Tax Code §11911-11929. Municipal Code Chapter 3.12 (1973). General purpose requires majority vote of voters, special purpose requires 2/3 vote.
Golf Tax	General	\$ 447,900	No	Tax imposed on the user of a golf course within the City. Tax is 10% of golf fee paid. Government owned golf courses are exempted (i.e. county owned Los Verdes Golf Course).	Municipal Code Chapter 3.40 (1993). General purpose requires majority vote of voters, special purpose requires 2/3 vote.

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Construction/Development Tax	EET	\$ -	Yes	Excise tax imposed on the privilege or activity of development and/or the availability or use of municipal services. Rate for 2015 is \$1,839 per bedroom with a maximum of \$3,678 for residential buildings, and \$1.12 per sq. ft. for commercial buildings.	Municipal Code Chapter 3.20 (1974). General purpose requires majority vote of voters, special purpose requires 2/3 vote.
Proposition C Sales Tax	Prop C	\$ 636,098	Yes	Half-cent sales tax partially (20%) distributed to cities on a per-capita basis.	Los Angeles County voter approved measure of 1990.
Proposition A Sales Tax	Prop A	\$ 766,869	Yes	Half-cent sales tax partially (25%) distributed to cities on a per-capita basis.	Los Angeles County voter approved measure of 1980.
Measure R Sales Tax	Measure R	\$ 477,079	Yes	Half-cent sales tax partially (15%) distributed to cities.	Los Angeles County voter approved measure of 2008.
Benefit Assessments on Property	1972 Act, 1911 Act & El Prado	\$ 810,515	Yes	A charge levied on real property for a local public improvement or service that specifically benefits the property.	Varies based upon type of assessment. Typically majority mail ballot vote of property owners. In 1992, the City established a benefit assessment district for street landscaping and lighting using 1972 Act procedures (Resolution No. 92-85). In 1995, the City approved the transfer of street lighting assessments from the County (Resolution No. 95-9), which were originally imposed using 1911 Act procedures (ad valorem tax).

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User and Enterprise Fees	General & Street Maintenance	\$ 115,080	Both	Fee paid to a municipality by a person to receive a particular public service (e.g. utility services, photocopy fees, recreation events). The City's revenue includes the Abalone Cove Sewer District user fee.	User fees must be adopted by resolution of the governing board with majority vote. Utility fees must be adopted by ordinance of the governing board with 2/3 vote. Resolution No. 2010-77 for user fees and Municipal Code Chapter 13.06 (2001) for the Abalone Cove sewer user fee.
Property-Related Fees	WQFP	\$ 1,384,096	Yes	A levy imposed on a parcel or upon a person as an incident of property ownership for property-related service.	Majority mail ballot vote of property owners, or by 2/3 vote of the registered voters. Municipal Code Chapter 3.44 (2005) for storm drain user fee.
Development Impact Fees, Dedications & Exactions	Quimby & Affordable Housing	\$ -	Yes	Dedications of property or fees to compensate for new demands on public resources resulting from development of land, and imposed as a condition of development approval.	Municipal Code Chapters 16.20 (1975) for the Quimby Parkland Dedication Fee and 17.11 (1997) for the Affordable Housing In-Lieu Fee.
Regulatory Fees	General	\$ 2,001,600	No	Charge imposed on a regulated action to pay for public services necessary to regulate the activity or mitigate the impacts of the fee payer on the community. Permit fees are included in this category.	Majority vote of governing body. Resolution No. 2010-77.

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Cable & Video Franchises	General	\$ 740,600	No	Payment from a cable or video franchisee as "rent" or "toll" for the use of the municipality right of way. City's franchise agreement with Cox Cable expires October 2015. Upon expiration, City will continue to receive 3% franchise fee through the state franchise agreement.	Prior to 2008, majority vote of governing body. As of 2008, granted by state. City may request up to 1% add-on fee (in quarter-percent increments) to the cable user bill through the state franchise agreement. This fee can only be used for capital expenditures related to Public, Educational & Government Access (PEG).
Solid Waste Franchises	General & Waste Reduction	\$ 770,900	Both	Payment from a solid waste management franchisee as "rent" or "toll" for the use of the municipality right of way. The City has also imposed recycling fees and AB939 fees on waste haulers.	Franchise fees are imposed by a majority vote of governing body. AB939 fees are authorized by the California Integrated Waste Management Act of 1989.
Electric, Gas, Water & Oil Franchises	General	\$ 772,000	No	Payment from a franchisee as "rent" or "toll" for the use of the municipality right of way.	Majority vote of governing body.
Licenses & Permits	General	\$ 179,500	No	Issued to regulate activities within a local jurisdiction.	Majority vote of governing body. Resolution No. 2010-77.
Fines, Forfeitures & Penalties	General	\$ 120,000	No	Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.	Court fines are set by California Uniform Bail and Penalty Schedule. Majority vote of governing body for parking fines (Municipal Code Chapter 10.32) and false alarm fines (Municipal Code Chapter 9.04).
Rents, Royalties & Concessions	General	\$ 734,500	No	Revenues from rental or use of city property and/or resources.	Majority vote of governing body.

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Investment Earnings	Various	\$ 349,410	Both	Revenue earned from the investment of idle public funds.	Majority vote of governing body to approve annual investment policy, which must meet minimum requirements of Government Code §53601.
Gifts	General & Donor Restricted Contributions	\$ 27,000	Both	Contributions to the City for a public purpose.	Government Code §37354.
Motor Vehicle License Fee	General	\$ -	No	State imposed tax for the privilege of operating a vehicle on public streets. Prior to 2004, this revenue was shared with the City. In 2004, the state replaced roughly 2/3 of the revenue to the City with additional shares of property tax. Since 2004, the City's remaining allocation has been eliminated, as the distribution formula provides a baseline of revenue to other agencies leaving nothing to be distributed to the City. Current revenue is limited to prior year adjustments.	California Constitution article XI §15 and Revenue and Tax Code §§10751 & 11005.
Air Quality Assessment	AQMD	\$ 50,000	Yes	An assessment on the state Motor Vehicle Fee for air quality related activities distributed to cities on the basis of population.	California Health & Safety Code §44220-44247.

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Motor Vehicle Fuel Tax	Street Maintenance	\$ 924,797	Yes	An 18-cent per gallon tax on fuel used to propel a motor vehicle. City receives state subvention for about 3 cents of this tax.	Tax authorized by California Constitution article XIX §1; Revenue & Tax Code §§7301-8404, 8601-9355; and Streets & Highways Code §§2104-2107.5.
Citizens Option for Public Safety (COPS)	Public Safety Grants	\$ 100,000	Yes	Revenue granted from the state General Fund for supplemental public safety services.	Government Code §30061-30065.
Proposition 172 Public Safety Sales Tax	General	\$ 75,000	No	State voter approved half-cent sales and use tax as partial mitigation for Educational Revenue Augmentation Fund (ERAF) property tax shifts from cities and counties. Cities receive about 6% of the revenue.	California Constitution article XIII §35 and Government Code §30051.
Homeowners Property Tax Relief Reimbursement	General	\$ 49,700	No	Revenue to offset city loss of property tax for state imposed homeowner exemption of \$7,000 per dwelling.	California Constitution article XIII §3(k), Revenue and Tax Code §218, and Government Code §§16120-16123, 29100.6.
State Mandate Reimbursement	General	\$ -	No	State reimbursement to cities and counties for the cost of programs and services mandated by the state.	California Constitution article XIII B §6 and Revenue and Tax Code §2201.
Federal Grants & Aid	CIP, CDBG & Various	\$ 578,270	Yes	Various annual and one-time awards from federal, state and county agencies vary from year to year.	Various for the granting agency.

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Cost Recovery	General	\$ 85,886	No	In general, cost recovery applies to user fees (recovering the cost of providing a service), regulatory fees (e.g. building permits), and fines/penalties; which have been discussed above. The City's revenue presented here represents the administrative allowance received by the City to manage redevelopment dissolution, repayments of the City's loan to the former RDA, as well as reimbursements from prior period activity.	California Health & Safety Code §34161.
Total Sources**		\$33,957,481			
**Excludes interfund transactions					

